

UNITED STATES DISTRICT COURT FOR
THE SOUTHERN DISTRICT OF NEW YORK

-----X
New Jersey Carpenters Health Fund, On Behalf of
Itself and All Others Similarly Situated,

Plaintiffs,

-against-

Civil Action No. 08 cv 5310 (PKC)
ECF Case

NovaStar Mortgage Funding Trust, Series 2006-3,
NovaStar Mortgage Funding Trust, Series 2006-4,
NovaStar Mortgage Funding Trust, Series 2006-5,
NovaStar Mortgage Funding Trust, Series 2006-6,
NovaStar Mortgage Funding Trust, Series 2007-1,
NovaStar Mortgage Funding Trust, Series 2007-2,
NovaStar Mortgage Funding Corporation, Scott F.
Hartman, Gregory S. Metz, W. Lance Anderson,
Mark A. Herpich, The Royal Bank of Scotland
Group, plc, Greenwich Capital Holdings, Inc.,
Greenwich Capital Markets, Inc. d/b/a RBS
Greenwich Capital, Wachovia Securities, LLC,
Deutsche Bank Securities, Inc., Moody's Investors
Service, Inc., The McGraw-Hill Companies, Inc.,

Defendants.

RULE 7.1 DISCLOSURE
STATEMENT OF DEFENDANT
NOVASTAR MORTGAGE
FUNDING CORPORATION

-----X
Pursuant to Rule 7.1 of the Federal Rules of Civil Procedure, the undersigned
counsel for defendant NovaStar Mortgage Funding Corporation certifies as follows:

Defendant NovaStar Mortgage Funding Corporation is a wholly owned subsidiary
of NovaStar Mortgage, Inc., which is a wholly owned subsidiary of NFI Holding
Corporation. NFI Holding Corporation is a wholly owned subsidiary of NovaStar
Financial, Inc. NovaStar Financial, Inc. is a publicly traded corporation. No publicly
held corporation owns 10% or more of the stock of NovaStar Financial, Inc.

Dated: June 20, 2008, Scarsdale, New York

Respectfully submitted,

S/ Daniel P.Jaffe

Daniel P. Jaffe (DJ3217)
Husch Blackwell Sanders LLP
190 Carondelet Plaza, Suite 600
St. Louis, MO 63105-3441
Telephone: 314-480-1500
Facsimile: 314-480-1505
dan.jaffe@huschblackwell.com

Michael Thompson
Martin M. Loring
Husch Blackwell Sanders LLP
4801 Main Street, Suite 1000
Kansas City, MO 64112
Telephone: 816-983-8000
Facsimile: 816-983-8080

MO #22153
MO #29712

Attorneys for defendant NovaStar Mortgage
Funding Corporation

DECLARATION OF SERVICE

I, Daniel P. Jaffe, certify that on this 20th day of June, 2008, I served on the below listed attorneys a copy of the foregoing **Rule 7.1 Disclosure Statement of NovaStar Mortgage Funding Corporation** by either filing it electronically with the Court and causing a Notice of Electronic Filing to be sent from the Court ("NEF"), or by instructing the night secretary of Husch Blackwell Sanders LLP (St. Louis, Missouri office) to mail by First Class U.S. mail, postage prepaid ("Mail"), to attorneys not receiving Notice of Electronic Filing from the Court, as indicated below:

Samuel P. Sporn, Joel P. Laitman,
Christopher Lometti, Jay P. Saltzman,
Frank R. Schirripa, Daniel B. Rehns
**Schoengold Sporn Laitman
& Lometti, P.C.**
19 Fulton Street, Suite 406
New York, New York 10038 (Mail)
*Counsel for Plaintiffs and the Proposed
Class*

Thomas C. Rice
James G. Gamble
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017 (NEF)
*Attorneys for Defendants The Royal Bank
of Scotland Group, plc, Greenwich Capital
Holdings, Inc., Greenwich Capital
Markets, Inc.*

Floyd Abrams, Susan buckley, Adam
Zurofsky, Tammy L. Roy
Cahill Gordon & Reindel LLP
80 Pine Street
New York, New York 10005 (Mail)
*Attorneys for Defendant The McGraw-Hill
Companies, Inc.*

James J. Coster
Joshua M. Rubins
Satterlee Stephens Burke & Burke LLP
230 Park Avenue, 11th Floor
New York, NY 10169 (NEF)
*Attorneys for Defendant Moody's Investors
Service, Inc.*

I certify under penalty of perjury that the foregoing is true and correct.

Executed on this 20th day of June, 2008.

S/ Daniel P. Jaffe